

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF WEST VIRGINIA
BECKLEY DIVISION

JAMES RIVER EQUIPMENT, VIRGINIA, LLC,

Plaintiff,

v.

Case No. 5:13-cv-28160

JUSTICE ENERGY COMPANY, INC.,

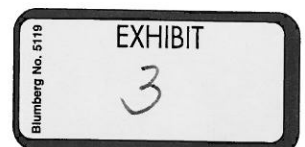
Defendants.

AFFIDAVIT OF TOM D. LUSK

STATE OF Virginia)
City) SS.
COUNTY OF Roanoke)

Tom D. Lusk, being duly sworn, deposes and states:

1. I am the Chief Operating Officer of Bluestone Industries, Inc. (Bluestone Industries, Inc.)
2. Bluestone Industries purchased Justice Energy, Inc. ("Justice Energy") and other Bluestone operations from Mechel Bluestone, Inc. ("Mechel Bluestone"), a wholly owned subsidiary of Mechel OAO, a Russian company on February 18, 2015.
3. As part of Bluestone Industries' acquisition of the Bluestone operations from Mechel Bluestone, it was agreed that Justice Energy would assume the liability associated with approximately \$2,686,303.83 in unpaid vendor claims (thirty-two (32) of which involved ongoing litigation such as the James River Equipment claim) and over \$1,000,000.00 in unpaid tax assessments.



4. Roman Semenov served as the General Counsel of Mechel Bluestone and its subsidiaries (including Justice Energy).
5. Mechel Bluestone maintained an office at 100 Cranberry Drive in Beckley, West Virginia.
6. Mr. Semenov worked out of the Cranberry Creek Drive office.
7. He was also the registered agent for service of process for a number of Bluestone entities, including Justice Energy, and his address was listed with the West Virginia Secretary of State's office as 100 Cranberry Creek Drive, Beckley, West Virginia.
8. Roman Semenov was retained as General Counsel for Bluestone Industries to assist with the transition.
9. Specifically, Mr. Semenov was retained to assist with the myriad of outstanding legal issues Bluestone Industries inherited from Mechel Bluestone including the thirty-two (32) civil actions initiated by vendors that alleged that Justice Energy had not paid for goods and/or services provided by the vendors as well as the \$1,000,000.00 in unpaid tax assessments.
10. In addition, Mr. Semenov continued to serve as the registered agent for service of process on behalf of Justice Energy.
11. Mr. Semenov requested and was permitted to work out of Washington D.C.
12. In the spring of 2015, Bluestone Industries closed the office at 100 Cranberry Creek Drive and began a two-phase consolidation of offices to move their corporate offices to 216 Lake Drive, Daniels, West Virginia.
13. However, Mr. Semenov did *not* update the company's address with the West Virginia Secretary of State as the registered agent for service of process for Justice Energy.
14. I am the Chief Operating Officer of Justice Energy.

15. I am also a Director of Justice Energy Company, Inc. and have served in this capacity since June 15, 2015.

16. Roman Semenov did **not** verbally advise me of the contents of the May 22nd Order issued by this Court in the matter of *James River Equipment, Virginia, LLC v. Justice Energy Company, Inc.*, Case No. 5:13-cv-28160 (the “May 22nd Order”).

17. Roman Semenov did **not** forward a copy of the May 22nd Order to my attention.

18. Roman Semenov did **not** otherwise provide me with a copy of the May 22nd Order.

19. I was **not** aware of the May 22nd Order until **after** February 15, 2016.

20. Roman Semenov did **not** verbally advise me of the contents of the January 5th Order issued by the Court in *James River Equipment, Virginia, LLC v. Justice Energy Company, Inc.*, Case No. 5:13-cv-28160 (the “January 5th Order”).

21. Roman Semenov did **not** forward a copy of the January 5th Order to my attention.

22. Roman Semenov did **not** otherwise provide me with a copy of the January 5th Order.

23. Roman Semenov did **not** ask me to execute a joint motion on behalf of Justice Energy permitting James River Equipment, Virginia, LLC (“Plaintiff”) to withdraw its Second Motion for Contempt and Motion for Sanction of Imprisonment of Officers and Directors until Justice Energy Complies with Court Order, approving the parties’ settlement agreement and staying the action after he received the motion from Plaintiff’s counsel on October 19, 2015.

24. I first became aware of the January 5th Order on February 15, 2016 when Derek Scarbro forwarded the e-mail attached hereto as Exhibit 1 to me in which David Gutman of the Charleston Gazette-Mail requested a comment with regard to the January 5th Order entered by

Judge Berger in the matter of *James River Equipment, Virginia, LLC v. Justice Energy Company, Inc.*, Case No. 5:13-cv-28160 (the "Gutman E-Mail")

25. Immediately upon learning of the January 5th Order on February 15, 2016, I initiated an internal investigation and the officers and directors of Justice Energy finally learned of the contents of the January 5th Order and the \$30,000 per day fine.

26. That same day -- February 15, 2016 -- Justice Energy tendered settlement payments to Plaintiff and worked with Jason Hammond, counsel for Plaintiff, to effectuate filing of the *Joint Motion to Stay Action* in the matter of *James River Equipment, Virginia, LLC v. Justice Energy Company, Inc.*, Case No. 5:13-cv-28160.

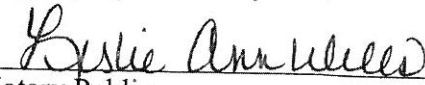
27. Effective February 29, 2016, Mr. Semenov is no longer associated with Bluestone Industries.

Further affiant sayeth naught.


Tommy D. Lusk

STATE OF Virginia,
COUNTY OF Roanoke, To-wit:

Subscribed and sworn to before me this 14th day of March, 2016.


Notary Public

My commission expires: 5-31-2017



From: **David Gutman** <david.gutman@wvgazettemail.com>
Date: Mon, Feb 15, 2016 at 11:17 AM
Subject: Justice Energy Company
To: Grant Herring <grant@justiceforwv.com>

Hi Grant,

I'm writing about an unpaid debt of one of Mr. Justice's companies, Justice Energy Company. The company has been sued in federal court in the Southern District of West Virginia. On Jan. 5, the company was held in contempt of court for non-payment and for not answering complaints against it and it appears the company has been unresponsive since then.

The case number, in the U.S. District Court for the Southern District of WV, is 5:13-cv-28160.

I'm writing to request comment as well as any additional details that I should know about the case.

I'm working out of the Capitol today, so best number to reach me at is 304-348-5149, or my cell.

-David

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David Gutman

The Charleston Gazette-Mail

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